

Memo

Date:	11 March 2021
To:	Dr Ashley Bloomfield, Director-General
From:	Adri Isbister, DDG Disability and Dr Garth Bennie, CEO NZDSN
Subject:	Providing a joint update on priority areas: 1) commissioning for sustainability, flexibility and innovation and 2) a workforce development strategy.
For your:	Meeting on Tuesday 23 March 2021.

Background

NZDSN and DSS have met on several occasions to agree on two priority areas as a basis for a joint work programme and have developed several projects across each. Project design is reasonably well advanced.

Discussion

Priority area one: Commissioning for sustainability, flexibility and innovation

Some overarching principles to inform commissioning have been adopted based on an MSD paper on Social Sector Commissioning <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/planning-strategy/social-sector-commissioning/msd-social-sector-commissioning.pdf>. Projects for this priority area are divided into two parts:

1. The Here and Now

The need to address with urgency a start on addressing current funding inequities and sustainability issues as well as creating more transparency. This also needs to address impending acute wage relativity issues as a result of the final year of the pay equity settlement. Through the possible use of contingency funding and/or budget 2021 the purpose of this work is to ensure:

- Providers are more uniformly in a position to respond to system transformation and EGL without the constraints of immediate financial sustainability issues (and noting that while across the board % increases are helpful in the short term they also exacerbate inequity over the longer term). The sector is concerned the Ministry has not made headway with the implementation of a Residential Pricing Model. Pricing inequity and sustainability issues are most acute in the context of individuals with more complex needs (both within and outside the RIDSAS framework) where providers and the Ministry are exposed to significant health, safety and quality risks.
- The worst of our historical pricing anomalies are removed to create a more level playing field for disabled people/families engaging with providers as we head into an environment where new commissioning models are being designed.

- Inequities experienced by disabled people/families with providers as a result of pricing anomalies are reduced.

There is an awareness that the above will need further resource and work.

2. Future Commissioning

The need for more flexible approaches to commissioning and contracting that create alternatives to existing arrangements, address gaps in the service spectrum and move to a system that can change and adapt. This will require further policy work and person directed approaches and the progressive roll out of FDS contracts. This work will involve the following streams of work:

- *Ways of being of service*: value propositions that support FDS so that providers can engage with the multiple possibilities and opportunities involved.
- *FDS service definitions and pricing tools* based on what a reasonable and fair contribution would be and embedding principles of **flexibility, transparency and sufficiency** in the way that supports are costed and delivered (including provision for margins).
- *Identifying systems and business processes* that providers need to have in place to support person directedness and the implementation of FDS contracts.
- *Developing people and leadership* to recognise and make the practice shifts that are needed to transform services and embed EGL principles

(These last two bullet points will be addressed by migrating outputs into workforce development initiatives focused on provider leadership for service transformation.)

This work is part of systems transformation and is reliant on further resource to ensure the development and implementation of these streams of work.

Priority Area Two: A workforce development Strategy that includes future focused qualification pathways and leadership development to support innovation.

Four projects have been identified:

1. Cross agency facilitation and collaboration for the development and delivery of Certificate level 2-4 qualifications

This involves identifying content, organising content into a coherent curriculum and arriving at consensus on delivery models.

2. Qualification development for practice leadership roles

A focus on behaviour support and independent facilitation roles using the same consensus building process.

3. Leadership development and support for service transformation

This involves rolling out a current programme of work to a further 40 providers. It will incorporate learning and feedback from the first roll out along with additional content from work on FDS implementation and pricing tools.

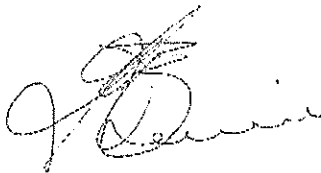
4. The development of high quality video resources to support EGL informed training and implementation

Eight video productions illustrating each of the EGL principles with a focus on how providers embed these in their practice to create great outcomes – and for individuals who are often overlooked as being “not ready” or “able to benefit from EGL”.

DSS is working with the Health Workforce Directorate as holder of the funds for this. Some resource is being made available to enable more detailed project design of these workforce projects including appropriate governance/stewardship arrangements and the engagement that will be needed with Careerforce and Te Pou.



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